

Physician Retention and Recruitment Funding

**Committee on Health Care Provider Practice Sustainability and
Training**

December 16, 2012



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Provider Loan Repayment Assistance

- Health care provider recruitment/retention programs, including loan repayment, are administered by the DHHS Office of Rural Health and Community Care
- To be eligible, an individual must be a licensed primary care medical, dental, mental, or behavioral health provider
 - medical doctors, dentists, nurse practitioners, physician assistants, dental hygienists, psychologists, clinical social workers, counselors, and therapists



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Provider Loan Repayment Assistance

- Loan repayment assistance provided to individuals in exchange for working in underserved rural and urban communities
 - NC provides up to \$100,000 assistance for physicians and dentists; up to \$60,000 for other providers
 - If provider has no outstanding education loans, can receive \$60,000 incentive payment
- Federal State Loan Repayment Program (SLRP)
 - Provides federal grant funds to states to be used for loan repayment assistance
 - State provides matching general or other non- federal funds and program administration



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Loan Repayment Contracts Awarded to Primary Care Physicians and Psychiatrists

(Source: Office of Rural Health and Community Care)

	FY09-10	FY10-11	FY11-12	FY12-13	July - Dec FY 13-14
Primary Care Physicians	15	12	7	17	30
Psychiatrists	8	6	11	8	5



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NC Loan Repayment Budget

- Fiscal Year 2013-14 budget:
 - Federal \$ 516,630
 - General Fund \$1,611,682
 - Medicaid Transfer \$2,557,128
 - \$ 4,685,440**
- Federal funds are used primarily to support program administrative costs
- General Fund and Medicaid funds are used for loan repayment assistance

Key Legislative Actions

- 2008 Session
 - \$868,519 R to establish the Psychiatrist Loan Repayment Program for State-operated facilities
- 2009 Session
 - S.L. 2009-541, Sec. 10.35B - combined the Physician Loan Repayment Program, the Psychiatric Loan Repayment Program, and the Loan Repayment Initiative at State Facilities into one program in order to achieve efficient and effective management of the programs.
 - Eliminated Loan Repayment Initiative at State facilities (\$868,519) R
 - Reduced General Fund appropriations for physician and psychiatrist loan repayment programs – (\$350,000) R

Key Legislative Actions

- 2010 Session
 - S.L. 2010-31, 2010 Appropriations Act, reduced funding for loan repayments (\$190,749) R
- 2011 Session
 - S.L. 2011-145, 2011 Appropriations Act, reduced general fund appropriation for loan repayment programs to offset increased federal receipts (\$458,395) R
- General fund appropriation has decreased \$1.9 million since 2009.